

## United States Department of Agriculture

Office of the Secretary Washington, D.C. 20250

APR 8 2002

Ms. Kathryn Z. Ruhf
Chair
USDA Advisory Committee on
Beginning Farmers and Ranchers
The New England Small Farm Institute
Post Office Box 937
Belchertown, Massachusetts 01007-0937

Dear Ms. Ruhf:

Thank you for your letter of October 1, 2001, to Secretary Veneman, on behalf of the Advisory Committee on Beginning Farmers and Ranchers (Committee). We were pleased to receive your recommendations and draft legislation, the "Beginning Farmer and Rancher Act." The Secretary asked me to respond, and I apologize for the delay in replying to your letter.

As you may be aware, many of the Committee's recommendations have been incorporated into the provisions of either the House or Senate version of the Farm Bill. However, some of the Committee's recommendations are outside the scope of the Department of Agriculture (USDA), as well as the scope of the House and Senate Agriculture Committees. For example, the Committee recommended that USDA guarantee loans to beginning farmers when the loans are backed by "Aggie Bonds." USDA currently has authority to guarantee loans backed by "Aggie Bonds," and the Senate version of the Farm Bill includes a clarification of this authority. However, changes to Federal tax laws are necessary before this authority may be implemented.

You may be assured that USDA will be working with Congress on passage of a Farm Bill, which includes adequate assistance to beginning farmers and ranchers. Once again, thank you for the Committee's recommendations and your continued interest in USDA programs for beginning farmers and ranchers.

James R. Moseley

Sincerely,

Deputy Secretary